

New Jersey Department of Transportation
CORRECTIVE ACTION NOTICE

QUALITY MANAGEMENT SERVICES

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CAN No. CAN038

Approved: B. Strizki
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Subject: Revision to Subsection 108.02 Subcontracting

Bureau(s) Affected: Construction Services Procurement
Regional Construction Engineering
Construction Engineering

Description of Issue(s):

Subsection 108.02 of the Standard Specifications (Subcontracting) specifies that subcontractors are to be prequalified with the Department when the value of the work subcontracted exceeds \$200,000. The Department in conjunction with the construction industry is working on a new Contractor Rating System. This new rating system will no longer require subcontractors to be rated and will make the prime contractor totally responsible for all work in accordance with current contract requirements. Since the prime contractor is now responsible for all work on the project, the Department is changing its requirements for subcontractors as follows:

Corrective Action Plan:

Subsection 108.02 of the Standard Specifications is revised to require subcontractors to be prequalified with the Department for work type only when the value of work subcontracted is \$1,000,000 or more.

This revision will apply immediately to all projects for which bids have not yet been received according to the following implementation:

The Configuration Management Unit of Quality Management Services (QMS) will revise the Standard Input (SI) template so that this revision will be applied to all projects where the Preliminary Specifications & Estimate (PS&E) submission has not yet been made.

For projects where the PS&E submission has been made but bids have not yet been received, the Bureau of Contract Administration Services (BCAS) will issue an addendum reflecting this revision. The Configuration Management Unit of QMS will prepare the addendum and supply it to BCAS for use on these projects.

Attached is the revised Subsection 108.02, which reflects the appropriate changes. Until this revision is incorporated into the Standard Specifications, this Corrective Action Notice shall be in effect.

Implementation: Immediately according to the above implementation.